



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

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Third District

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Fifth District

March 6, 2009

To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

TAX REASSESSMENTS SUSPENSION ON REAL PROPERTY IMPROVEMENTS

On February 17, 2009, on the motion by Supervisor Antonovich, the Chief Executive Office was directed to investigate the advisability of suspending tax reassessments on real property improvements for three years, for the purpose of encouraging homeowners to make extensive improvements to their real property without being taxed for a period of time.

In consultation with the Office of the Assessor, our understanding is that most replacement improvements are not reassessed (i.e. carpeting, roofing, and heating systems). However, area added to existing structures, new items added to existing structures such as bathrooms, fireplaces, central heating or air conditioning, physical alterations resulting in a change in use, renovations that are the substantial equivalent of a new improvement, land development, pools, spas, and patio covers are subject to reassessment under California State law and the California Constitution. Therefore, the County does not have the authority to suspend tax reassessment on real property improvements.

If you have questions, please contact me or your staff may contact Deputy Chief Executive Officer, Ellen Sandt at (213) 974-1186 or esandt@ceo.lacounty.gov.

WTF:ES
GS:LM:cg

c: Assessor

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